

**Good Samaritan Hunger Relief Tax Incentive Act  
(Introduced in Senate)**

S 94 IS

109th CONGRESS  
1st Session  
**S. 94**

To amend the Internal Revenue Code of 1986 to provide for a charitable deduction for contributions of food inventory.

**IN THE SENATE OF THE UNITED STATES**

**January 24, 2005**

Mr. LUGAR (for himself, Mr. LEAHY, Mrs. LINCOLN, Mrs. DOLE, and Mr. SMITH) introduced the following bill; which was read twice and referred to the Committee on Finance

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**A BILL**

To amend the Internal Revenue Code of 1986 to provide for a charitable deduction for contributions of food inventory.

*Be it enacted by the Senate and House of Representatives of the  
United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the `Good Samaritan Hunger Relief Tax Incentive Act'.

**SEC. 2. CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY.**

(a) In General- Section 170(e) of the Internal Revenue Code of 1986 (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end the following new paragraph:

` (7) SPECIAL RULE FOR CONTRIBUTIONS OF FOOD INVENTORY- For purposes of this section--

` (A) CONTRIBUTIONS BY NON-CORPORATE TAXPAYERS- In the case of a charitable contribution of food by a taxpayer, paragraph (3)(A) shall be applied without

regard to whether or not the contribution is made by a corporation.

` (B) LIMIT ON REDUCTION- In the case of a charitable contribution of food which is a qualified contribution (within the meaning of paragraph (3)(A), as modified by subparagraph (A) of this paragraph)--

` (i) paragraph (3)(B) shall not apply, and

` (ii) the reduction under paragraph (1)(A) for such contribution shall be no greater than the amount (if any) by which the amount of such contribution exceeds twice the basis of such food.

` (C) DETERMINATION OF BASIS- For purposes of this paragraph, if a taxpayer uses the cash method of accounting, the basis of any qualified contribution of such taxpayer shall be deemed to be 50 percent of the fair market value of such contribution.

` (D) DETERMINATION OF FAIR MARKET VALUE- In the case of a charitable contribution of food which is a qualified contribution (within the meaning of paragraph (3), as modified by subparagraphs (A) and (B) of this paragraph) and which, solely by reason of internal standards of the taxpayer, lack of market, or similar circumstances, or which is produced by the taxpayer exclusively for the purposes of transferring the food to an organization described in paragraph (3)(A), cannot or will not be sold, the fair market value of such contribution shall be determined--

` (i) without regard to such internal standards, such lack of market, such circumstances, or such exclusive purpose, and

` (ii) if applicable, by taking into account the price at which the same or similar food items are sold by the taxpayer at the time of the contribution (or, if not so sold at such time, in the recent past).'

(b) Effective Date- The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2004.